

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

COMPETITIVE PRODUCT PRICES  
INBOUND COMPETITIVE MULTI-SERVICE AGREEMENTS WITH  
FOREIGN POSTAL OPERATORS  
CANADA POST CORPORATION – UNITED STATES POSTAL  
SERVICE BILATERAL AGREEMENT (MC2010-34)  
NEGOTIATED SERVICE AGREEMENT

CP2012-4

**UNITED STATES POSTAL SERVICE RESPONSE TO CHAIRMAN'S INFORMATION  
REQUEST NO. 1 AND NOTICE OF FILING NON-PUBLIC MATERIALS**  
(December 27, 2011)

The United States Postal Service hereby gives notice of filing its response to question 1 of Chairman's Information Request No. 1, issued on December 21, 2011, in this proceeding. A public version of the Postal Service's response accompanies this notice, while a non-public version was filed separately under seal with the Commission. The Postal Service maintains that these materials fall within the scope of the application for non-public treatment filed previously in this docket.

Respectfully submitted,

UNITED STATES POSTAL SERVICE  
By its attorneys:

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December 27, 2011

**RESPONSE OF THE UNITED STATES POSTAL SERVICE TO CHAIRMAN'S  
INFORMATION REQUEST NO. 1  
DOCKET NO. CP2012-4**

1. Please refer to Excel file  
"Canada\_Bilateral\_Comp\_Inbound\_2011.10.28\_v3.xls," worksheet  
'04\_Unit\_Cost\_Inputs.'
  - a. Please confirm the value of [REDACTED].
  - b. Please provide the rationale for using industrialized country  
(excluding Canada) unit costs for inbound EMS from Canada rather  
than unit cost specific to Canada or industrialized country costs that  
include Canada.

**RESPONSE**

- 1.a. The value is correct.
- 1.b. The unit cost specific to Canada was not used due to concerns over the  
small sample size. Canada started using EMS on August 23, 2010, and the  
fiscal year ended on September 30, 2010. However, the unit cost used does  
combine industrialized country costs and Canada-specific costs to develop a new  
proxy unit cost. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]